

### **NUGGET'S WITNESSES**

1. **Randy Randolph.** Mr. Randolph will testify regarding the following:
  - a. The background of the Homer Spit project, Nugget's contact with the Army Corps of Engineers, Nugget's schedule and plan for performance for the project, and his knowledge of the status and history of the quarry and its permits.
  - b. His involvement in helping Spencer Rock Products ('SRP') prepare its estimate for the Homer Project vis a vis Mr. LaPore's role, as well as his lack of involvement in the operation of SRP.
  - c. His involvement or lack thereof in the negotiation of the Material Contract and Support Agreement or in SRP's efforts to fulfill the obligations of the Material Contract.
  - d. His observations and discussions with Mr. LaPore regarding SRP's difficulties in meeting its obligations under the Material Contract, and SRP's representations of efforts to alleviate those difficulties.
  - e. His observations and discussions with Mr. LaPore regarding SRP's request for Nugget's support in helping SRP meet its contractual obligations under the Material Contract.
  - f. The importance of SRP's rock delivery in Nugget's schedule, why the SRP deliveries could not be postponed, and his role in monitoring and modifying Nugget's schedule.
  - g. His observations and discussions with Mr. LaPore regarding the costs incurred by Nugget under the Support Agreement, and the basis for those costs.

- h. His observations and discussions with Mr. LaPore and others regarding backcharges against SRP, and the basis for the backcharges.
- i. The amounts Nugget paid and did not paid to SRP, and the reasons therefor.
- j. His observations and discussions with North Star regarding the loading of rock on the barge at the ARRC dock, and his role in the barge loading.
- k. Nugget's decision to move its loading operations to the City Dock and his observations and discussions with Mr. LaPore regarding same.
- l. His observations and discussions with Mr. LaPore regarding Nugget's tug and barge scheduling issues resulting from SRP's late delivery of rock.
- m. North Star's notice of non-payment to him and his response.
- n. The manner in which he calculated SRP's actual rock production and delivery to the barge in Seward.
- o. His observations regarding the State court action between Nugget and SRP and the settlement that came from that dispute.
- 2. **John Smithson.** Mr. Smithson will testify regarding the following:
  - a. His involvement in estimating the job for Nugget and in preparing its bid, including Nugget's bid assumptions.
  - b. His observation and involvement in the delays experienced in the issuance of the Notice to Proceed for the project.
  - c. The negotiation of the SRP Material Contract and subsequent changes thereto.
  - d. His involvement in Nugget's baseline schedule and schedule of values.
  - e. His observations and discussions with Mr. LaPore regarding SRP's difficulties in meeting its obligations under the Material Contract.

- f. His observations and involvement in Nugget's support of SRP's performance of the Material Contract.
- 3. **Greg Poyner.** Mr. Poyner will testify regarding the following:
  - a. His involvement in Nugget's decision to lend support to SRP, his involvement in the drafting of the Support Agreement, and his discussions with Mr. LaPore regarding same.
  - b. His involvement in Nugget's decisions to pay or not pay SRP sums under the Material Contract and the Support Agreement, as well as his discussions with Mr. LaPore regarding same.
  - c. The reasons for, and the reasonableness of, the support costs and backcharges incurred by Nugget as a result of SRP's failure to fulfill its obligations under its Material Contract, his notice to SRP of same, and SRP's response.
- 4. **Robert Fox.** Mr. Fox will testify regarding the following:
  - a. His observations and discussions with Mr. LaPore regarding SRP's difficulties in meeting its obligations under the Material Contract.
  - b. His involvement in Nugget providing support to SRP in the performance of its Material Contract.
  - c. How Nugget's support aided in the performance of the Material Contract, and whether the steps taken were appropriate.
  - d. Why Nugget's support costs were reasonable.
- 5. **Northrim Bank Personnel (records custodian).** Northrim Bank Personnel will testify regarding the authenticity of certain bank records.
- 6. **Steve Taylor.** Mr. Taylor will testify regarding to the following:

- a. Mr. LaPore's attempts to obtain financing for SRP, and his representations concerning his own financial stake in the project.
- b. Mr. LaPore's statements to Northrim Bank regarding SRP's financial condition, and his difficulties in project performance.
- c. The Bank's evaluation of SRP's financial request and project management.

Dated: July 2, 2007

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